

House Concurrent Resolution 25 - Efficiency Report

Efficiency Activity/Issue	Status	Specific Efficiencies Gained/To be Gained
Closure of Ferry Services: The Melville, St. Francisville, White Castle, and Reserve ferries were shut down. No additional ferry closures are planned at this time.	Complete	<p>Total Annual Savings: Approximately \$5 million</p> <ul style="list-style-type: none"> • FY 2010 - DOTD spent a total of \$12.6M on its rural ferry system (before closures). • FY 2015 - DOTD spent a total of \$7.6M on its rural ferry system. <p>Melville: Estimated annual savings of \$880,000. Closed on 1/1/11. St. Francisville: Estimated annual savings of \$1,540,000. Closed on 5/5/2011. White Castle & Reserve: Estimated annual savings of \$3,000,000. White Castle closed on 6/21/2013 and Reserve closed on 7/31/2013</p>
CCCD Ferry: Control and operation of the New Orleans-Algiers ferry was given to the RTA on 2/15/2014	Complete	<p>According to the Cooperative Endeavour Agreement, an efficiency would be realized because the public would be provided with a level of service that previously cost the state \$7.22M to operate, but would cost the state only \$5.5M for the initial period.</p> <p>Subsidy payments to date:</p> <p>1. FY 2014:</p> <ul style="list-style-type: none"> a. \$475,760 – TTF <input type="checkbox"/> b. \$500,000 – New Orleans Ferry Fund <input type="checkbox"/> <p>2. FY 2015:</p> <ul style="list-style-type: none"> a. \$4,000,000 – TTF <input type="checkbox"/> b. \$800,000 – New Orleans Ferry Fund <input type="checkbox"/> c. \$700,000 – CCC Transition Fund <input type="checkbox"/> d. \$680,881 – Geaux Pass Transition Fund <input type="checkbox"/> <p>3. FY 2016:</p> <ul style="list-style-type: none"> a. \$4,000,000 – TTF <input type="checkbox"/> b. \$800,000 – New Orleans Ferry Fund <input type="checkbox"/> <p>Since its takeover, RTA has expanded service by 29.25 hours/week with no increase in the state subsidy.</p>
Tolls were removed from the Crescent City Connection in New Orleans.	Complete	
The LaGov system was deployed in September of 2010, resulting in the elimination of 25+ legacy systems and greater consolidation of business related functions.	Complete	<p>Efficiencies gained: Enabled daily billings to FHWA for reimbursement; Automated the FHWA Project Authorization process; Consolidated project lifecycle phases under one project structure thus enabling better analysis and reporting of complete project costs; Implemented segment accounting for GASB 34; Eliminated need to reconcile multiple internal DOTD legacy financial and engineering systems; Reduced payment clearing pattern from 4 days to 2 days; Provides a single location to check estimates in both the HPP and STIP and see the federal funding set up all in one place.</p>
Enterprise Server: DOTD has purchased an Enterprise Server in order to consolidate server hardware and thus reduce maintenance cost.	Complete	<p>The Enterprise Server has since been moved to the ISB (Information Service Building) at OTS. This move saved considerable funds for the server and support costs. The plan for the future is to further reduce dependency on the Mainframe, which would continue to save money by cutting licenses and support costs for older technologies.</p>
Fleet Management: DOTD has implemented the fleet management program to reduce the number vehicles for the department. DOA completed the lease agreements with Enterprise Rent-A-Car and actual operations began on November 4, 2010.	Complete	<p>The vehicle fleet has been reduced by a total of 348 vehicles. FY 10/11 - reduced fleet by 181 (10%); FY 15/16 - reduced fleet by 167 (7 were from the GEMS initiative)</p>
Agile Assets has been fully implemented as DOTD's Maintenance Management System (MMS) and is an effective tool for tracking and reporting maintenance accomplishments, effectively managing resources, and making well-informed decisions.	Complete	<p>The MMS provides data necessary for FHWA and FEMA reimbursements after a disaster; it has significantly simplified this element of the settlement process.</p>

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The DOTD campus consolidation was completed in January of 2011 and approved by the Fire Marshal in January of 2012.	Complete	Annual savings of approximately \$600,000.
Weights and Standards stationary weight enforcement operations were transferred to the Department of Public Safety on June 14, 2010.	Complete	
Employee performance standards have been tied to agency goals/objectives throughout DOTD and remain in effect.	Complete	
Since FY11, staffing levels have been reduced by 329 positions, from 4,524 to 4,195 positions.	Complete	Saving on salaries and related benefits
Sale of ferry vessels	Complete	<p>The following ferry boat sales were accomplished through LPAA. Note that none of the sale proceeds were returned to DOTD due to the fact that these ferry boats were not originally purchased with TTF dollars:</p> <ul style="list-style-type: none"> • M/V St. Charles sold for \$58,000 on 11/9/2013 • M/V Porterie sold for \$236,000 on 3/30/2015 • M/V Iberville sold for \$51,655 on 6/19/2015
The sale of the M/V Iberville vessel resulted in cost savings related to ferry maintenance/dry docking (NOTE: The sale of the M/V St. Charles and the M/V Porterie were already reported above, so they are not included here so we don't double count this efficiency.)	Complete	Estimated annual dry-dock & maintenance savings: \$150,000
Reduced the number of direct IT support staff due to DOA Consolidation during FY 15 which resulted in positions being eliminated through attrition (started FY 16).	Complete	Savings of \$1.3M with related benefits
Consolidated LA1 toll operations (previously located at located at the CCCD office and in Golden Meadow)	Complete	Eliminated 12 positions for a total savings of \$542,170
Sold the DOTD Design Station on Lakeshore Drive, which resulted in savings of facilities-related expenses such as electric, water, cleaning, and phone	Complete	Total savings of \$21,364
Reduced insurance to more appropriate levels on certain ferries, barges, buildings and assets.	Complete	The annual savings on hull insurance which will begin to be realized this year is \$535,381. The annual savings on facilities is estimated to be \$549,000.
The Department's Data Collection and Analysis field crew was being housed at a facility on the campus of Traffic Services on Tom Drive. The building had no plumbing, restrooms, or running water. In January 2015, the department was able to relocate the crew to a facility which had been renovated and prepared for the crew's use. The warehouse will provide the field crew with a covered area to load equipment, which will be especially useful during inclement weather, as well as alleviating the plumbing issues.	Complete	The department was able to renovate and repurpose one of its facilities in order to improve the efficiency of the Data Collection and Analysis field crew.
Approximately two years ago, the number of bridge inspectors in most districts was increased in proportion to the total bridges in each district. Also, HQ Bridge Maintenance forces are in the process of adding another land crew. District bridge maintenance crews could also be expanded to increase the level of efficiency.	Complete	This has increased efficiency, as the crews are able to get equipment to job sites in a timely manner, and therefore get the work done sooner.
Carryout HCR 105 of the 2016 Regular Session which requires DOTD to chair a Task Force of stake holders charged with making a recommendation to the legislature on how to simplify and consolidate Special Permits issued by DOTD and to adjust fees as appropriate.	In Progress	Current internal and statutory requirements have DOTD issuing over 30 different types of permits through an antiquated system. It is difficult for users, internal and external, to understand and comply properly with requirements. The intent is to establish a user friendly permitting structure and system that is more efficient for internal and external users.

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<p>Right-Sizing The Highway System: The State presently owns over 27 percent of the public road mileage in Louisiana; the national average is approximately 19 percent. Only nine states own a higher percentage of public road miles than Louisiana and only ten states have larger state highway systems.</p> <p>An opportunity exists to rectify inequities in the distribution of state highway miles among parishes, and empower local governments through the right-sizing of the state highway system.</p> <p>The Road Transfer Program has been established as the means to right-size the State Highway System to achieve the national average of 19 percent state ownership of public road mileage. DOTD has identified approximately 5000 miles of state roads that do not fit the state's role in the highway network. The Program involves transferring these roads, with the money, to local governments.</p> <p>Participation in the Program is voluntary. Roads will be repaired prior to transfer and the receiving local governments will be credited for 40 years of routine and capital maintenance which can be applied to any highway capital project(s).</p>	In Progress	<p>DOTD has decreased the percentage of state ownership of public roadways from 27.39% to 27.10%, with signed agreements in place to further reduce that number to 26.9%.</p>
<p>Rest Area Consolidation: Numerous rest area and welcome center rehabilitation projects have been completed to improve overall functionality at strategic locations throughout the state. Twenty three rest areas have been closed and demolished to maximize efficient use of available resources. Ten are being replaced by state-of-the-art rest areas with tourist information, free wireless internet, video surveillance, security and vending facilities included.</p>	In Progress	<p>The efficiency gained was that DOTD only have 10 modern rest areas to maintain and offer the public, instead of 33 thirty-plus-year-old facilities.</p> <p>In 1999, DOTD was spending \$3.5 million annually on rest area maintenance alone. Today, we spend \$1,500,367 annually for maintenance and \$1,283,394 for security for a total of \$2,783,662 for maintenance and security.</p> <p>So we have decreased our maintenance costs by 57 percent, added security and have modern attractive facilities to offer the traveling public.</p>
<p>Quality and Continuous Improvement Program</p>	In Progress	<p>The Quality and Continuous Improvement Program (QCIP), originally called the Change Management program, was established in October 2004. QCIP enables DOTD to function more efficiently and effectively by facilitating continuous improvement throughout the Department. Since its inception, QCIP has completed 330 projects that focus on eliminating or reducing defects, costs, cycle time, or simply making an organizational process perform more efficiently.</p>
<p>Replace existing oversize/overweight truck permitting system ("PERBA")</p>	In Progress	<p>Increase online permit issuance by as much as 50% of total permit volumes. Significantly improve credit card processing efficiencies associated with buying permits and payments on accounts. Provide many more self service capabilities for customers, such as account monitoring, electronic document submission, and fleet management.</p>
<p>Using Innovative Contracting Methods: Used Design-build contracting for 7 major projects; Supported a state law allowing the use of Construction Manager at Risk (CMAR) contracting. Now developing guidance and procedures for utilizing this contracting method.</p>	In Progress	
<p>Operation 57</p> <ul style="list-style-type: none">• Operation 57 is a program started in 2012 to provide an assessment of each Section's and District's effectiveness in managing its specific areas of responsibility.• The program includes a structured and detailed self-assessment of each Section, and section-specific Strengths, Weaknesses, Opportunities and Threats (SWOT) analyses.• The initial assessment of all 57 Sections within DOTD was completed in 2015.	In Progress	<p>The final output of the review is an assessment of areas of opportunity, identification of best practices, and development of a repository of key documents, policies, and procedures for each section.</p>
<p>Identified a more cost-effective way to repair the “moisture rooms” in each district, which are used in materials testing</p>	In Progress	<p>Total savings of \$1.18M</p>
<p>Sale of surplus properties</p>	In Progress	<p>FY15: \$2.28M sold; FY16: \$209,488 sold to date</p>
<p>DOTD has contracted with Superlative Group, Inc., to establish a Management of Sponsorship Program. This program will provide for advertising at rest stops, on roads and bridges, as well as on other DOTD assets. To date, Superlative has identified the following resources on which DOTD could possibly advertise, and has begun discussions regarding advertising opportunities with potential sponsors.</p>	In Progress	<p>The Management of Sponsorship Program will likely not generate revenues until FY17. The Superlative Group is currently compiling a listing of propose DOTD assets can be used for advertisement. This list will be presented to DOTD Advertising and Sponsorship Committee Title 70 Section 805 for approval.</p>

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Reduced the Use of Outside Design and Construction Engineering Contractors: DOTD is working to achieve these savings by retaining some of our design projects in-house rather than outsourcing them. DOTD has filled most of the 15 engineering positions authorized in FY 15 in order to achieve this goal.	In Progress	Total savings from FY15 & FY16: \$3,351,240 (to date)
Utilizing 1" Thin Asphalt Overlay - DOTD is implementing the use of thin asphaltic concrete wearing surface in lieu of 2" where appropriate in order to extend the life of the pavement. From a structural standpoint, 1" overlays are more substantial treatments than microsurfacing and less substantial treatments than 2" overlays.	In Progress	Total savings from FY16: \$7,707,295 (to date); no savings from FY15
Reduced Cost Overruns by implementing a QA/QC Team: In November 2014, DOTD established a QA/QC team to reduce plan error cost overruns.	In Progress	FY15: Savings of \$10,612,760; FY16: Savings of \$6,595,217
Records Retention Program: Many DOTD records were being stored in Quonset huts which were deteriorating. Additionally, many of the records stored in these locations have no back-up if they are destroyed by fire, water leakage, or general environmental degradation. DOTD has implemented a Records Retention Program.	In Progress	The average employee spends 37 minutes each day filing and searching for documents. Our Records Management program has reduced that time by their accomplishments: completed inventory of over 50,000 linear feet of records, created a classification indexing to accommodate all of DOTD's records, established a Records Coordinator Network, reorganized HQ Warehouses, completed revision of DOTD retention schedules. Items in progress are: create warehouse procedures to leave no records stored past retention, train agency employees on RM basics, plan a centralized scanning operation, and prepare for a new Electronic Content Management System.
Working toward gaining access to electronic databases required for Real Estate research, such as electronic court records, comparable property sales, etc. We are currently accessing the electronic databases of the clerks of courts that offer such services on a pay as you go basis. We continue to have a problem with accessing those databases that require a credit card or pay pal account, but we are working with the financial services section to see if arrangements can be made to get a credit card or pay pal account. We are also looking into using databases to obtain comparable sales data for appraisal purposes.	In Progress	Decrease time and expenses related to travel for Real Estate-related research
Conduct an assessment on the full cost consequences of equipment purchases, including the cost of not providing adequate equipment (outsourcing costs, personnel down-time, etc.). Equipment needs (such as lack of equipment, broken equipment, and slow equipment repairs) are hampering performance of essential maintenance services in the district offices and certain other sections, such as Section 67 (Pavement and Geotechnical).	In Progress	Without the proper equipment, jobs cannot be done safely and timely or sometimes not at all.
Implementation of the Real Estate Module in LaGov: The AARS system, DOTD's pre-LaGov Real Estate System, is an integral part of the Legal Section's daily work but has not yet been integrated with LaGov. The Legal Section uses AARS to create vouchers to make payments on real estate transactions. However, because the system has not been integrated with LaGov, the process requires the creation of a voucher in each system to pay one invoice.	In Progress	The Real Estate Module has been implemented and is being used in a "soft rollout". Not all of the testing is complete. Real Estate is able to process all of their vendor payments in LAGov and AARS is no longer needed for payments made to vendors who are registered with the DOA. This has streamlined the process to make payments on Real Estate transactions.
Legislation to allow Realtors to sell DOTD property: During the 2015 Regular session, DOTD attempted to have legislation passed (HB 390 by Representative Leopold) that would allow Realtors to sell property on DOTD's behalf. However, the legislation did not pass. We could pursue this again in a future session.	Future	This greatly improve DOTD's ability to dispose of excess property expediently.
Conduct assessment on utilizing LaGov to not only track expenditures but allow the ability to conduct gang-level budgeting. Currently, districts have to track this information outside of LaGov. DOTD has made the request to DOA, but they advised that additional work would be required on our end before a decision is made to move forward with the modification/implementation.	Future	Districts would have a streamlined process to track their budget allocations down to the gang level.
Materials Lab would like to consider charging for the testing samples to be considered for inclusion to the Approved Materials List. State of Alabama is charging for their list.	Future	We currently have 12,759 products listed on our Approved Materials List. If we were to charge \$400 per product bi-annually, the total reimbursement to DOTD would be around \$5.1 million, (\$2.55 million per year). Current operating budget of Materials Lab is \$4.6 million.
Improve system interface between LaGov, Web Transport and SiteManager so that the data exchange, especially for federal funding data, is done electronically (not manually), to ensure the invoice is coded to the correct federal fund code.	Future	Currently, the Construction Section has a 4-5 person crew working to handle these interface issues between SiteManager and LaGov monthly to ensure payments to the 300-400 active projects are processed properly and in a timely manner.